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INFO RUEHKK/ARAB ISRAELI COLLECTIVE
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CMC WASHINGTON DC FOR POLAD

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SUBJECT: JERUSALEM MEDIA REACTION (10/20): Palestinians skeptical
about settlement freeze

Main Stories:

Al-Quds leads with news citing Israeli daily Ha'aretz on Israeli Prime Minister Benjamin Netanyahu's statement that the negotiations between Israel and the US regarding settlement construction have concluded, saying "we have solved the issue of settlements with the US. If you want to know more, you can ask the US." Palestinian Authority (PA) President Mahmoud Abbas noted that he has not received any information about such an agreement and clarified that he won't trust what is published in the Israeli press, but rather he will wait to hear from the US. Al-Ayyam quotes Palestinian Liberation Organization Chief Negotiator Saeb Erekat saying "If I see a complete cessation of settlement activity in the Palestinian territories, including East Jerusalem, then I would say there is a US plan. As long as we don't see this, then there is no plan." In related news, the dailies report that Erekat travelled to the US yesterday to discuss ways to re-start the peace process.

The local press highlights news on Fatah Central Committee member Muhammad Dahlan accusing Hamas of "being more dishonest than Israeli Prime Minister Benjamin Netanyahu." Dahlan said the Hamas reservations on the Egyptian proposal are a "new lie" to evade signing the agreement. Dahlan also accused Al-Jazeera of incitement.

Hamas newspaper Al-Resalah quotes legal experts stating that President Abbas has no legal or legislative authority to issue a decree for holding presidential and legislative elections, arguing that he lost his presidential authority on January 9, 2009.

Al-Quds Hamas radio, airing from Gaza, reports on Secretary General of the Hamas ministerial cabinet Mouhammad Awad denying news that

the Haniyeh government is facing a financial crisis. However, Awad asked Arab and Muslim countries to support Hamas as it faces the challenges and obstacles resulting from the siege.

BLOCK QUOTES:

1) Al-Quds independent daily runs an editorial under the title "What agreement on settlement activity?" (10/20): "No doubt that there is an agreement between Israel and the US regarding settlement activity in light of the US reversing their position calling for a complete settlement freeze. We have been watching the Israelis expand settlements in Jerusalem and the West Bank without fearing anything."

2) Rajabu Abu Sirriyeh opines in Al-Ayyam independent daily under the title "The solution is through the elections" (10/20): "All the Palestinian factions, except Hamas, will be in favor of holding the presidential and legislative elections on time because they believe that this will be the only way to end the current state of division."

RUBINSTEIN